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STATE FOR NEA/MAG (HARRIS AND HOPKINS) STATE ALSO FOR H - PLEASE PASS CODEL INOUYE

E.O. 12958: N/A

TAGS: OREP PGOV PREL ECON PTER TS
SUBJECT: SCENESETTER FOR VISIT OF CODEL INOUYE

SUMMARY

11. (U) Embassy Tunis warmly welcomes Senators Daniel Inouye and Theodore Stevens and accompanying members of CODEL Inouye to Tunis from November 25 - 26, 2007. Tunisia proudly -- and justifiably -- calls itself a "country that works." Despite Tunisia's relatively small economy and lack of natural resources, the Tunisian government has proven itself capable of providing basic education, health care, housing and a workable infrastructure to its population. Tunisia has the most diversified economy in the region and enjoys one of the highest standards of living on the continent. The political system is dominated by a single party, the Democratic Constitutional Rally (RCD), and political liberties are tightly controlled. This cable provides background information on these themes. END SUMMARY.

The Bilateral Relationship

- 12. (SBU) Your visit takes place in the context of a long-standing and positive bilateral relationship; the United States was the first Western power to recognize an independent Tunisia in 1956. The Embassy has requested meetings with President Ben Ali and Minister of National Defense Kamel Morjane. The Minister may want to discuss opportunities for expanding US financial support for the Tunisian military (see also para 9). The Ministry of Foreign Affairs has suggested a meeting with Secretary of State Saida Chtioui, who is likely to give an overview of Tunisia's views on key security, political, economic and social issues.
- 13. (SBU) Recent high-level visits include the February 2006 visit by former Secretary of Defense Rumsfeld and a May 2006 visit by then-Deputy Secretary of State Robert Zoellick. More recently, the Vice Chairman of the Joint Chiefs of Staff Admiral Edmund Giambastiani visited and Tunisia hosted the 22nd US-Tunisia Joint Military Commission (JMC) meetings, both in May 2007. The Government of Tunisia warmly welcomed CODELs Tanner, Cramer and Jackson-Lee in mid-2007.

Socio-Economic Context

 $\underline{\mbox{1}}4.$ (SBU) Tunisia proudly -- and justifiably -- calls itself a "country that works." Despite Tunisia's relatively small economy and lack of natural resources, the Tunisian government provides basic education, health care, housing and a workable infrastructure to its population. Tunisian woman enjoy more rights and opportunities than in any other Arab

Muslim country. As a result of these policies, the majority of Tunisians are generally moderate and desire a government intent on modernizing the country and integrating it fully into the world economy.

15. (U) Tunisia has the most diversified economy in the region and enjoys one of the highest standards of living on the continent. The country does not have vast reserves of hydrocarbons like its neighbors Algeria and Libya but has prospered under long-standing government policies to develop manufacturing industries for export and to promote tourism. The Government of Tunisia also seeks to attract foreign direct investment and strengthen its traditional agricultural sector. Thanks to these policies, Tunisia's economy has maintained average annual growth rates of almost five percent over the past ten years. At the same time, social programs limit population growth, provide a high standard of education, and ensure a relatively decent standard of living for all. Average annual per capita income is approximately US \$3000. The United States hopes Tunisia will be part of President Bush's vision of a Middle East Free Trade Area, and the United States and Tunisia signed a Trade and Investment Framework Agreement (TIFA) in 2002 to strengthen bilateral economic engagement.

Political Overview

- 16. (SBU) Tunisia is a constitutional republic with a population of approximately 10 million, dominated by a single political party, the Democratic Constitutional Rally (RCD). Zine El Abidine Ben Ali has been the president since 1987, celebrating his 20 years in office on November 7. Although three opposition parties fielded candidates in the October 2004 presidential election, official results indicated that President Ben Ali won approximately 94 percent of the registered popular vote. The official turnout was reportedly higher than 90 percent of registered voters, although there were indications that voter turnout figures were artificially inflated. Tunisia has a bicameral legislature. In addition to the Chamber of Deputies, a second legislative body, the Chamber of Advisors, was created in a 2002 referendum amending the Constitution. The legislature plays a limited role as an arena for debate on national policy but never introduces legislation and virtually always passes bills presented by the Executive with only minor changes. National elections - both presidential and legislative - will be next held in 2009.
- 17. (SBU) Political liberties remain tightly controlled and civil society development is stifled. Tunisia's sluggishness on political reform has been a point of contention in the US-Tunisian relationship in recent years. Although President Ben Ali has introduced some positive political reforms in the past two years (pardoning some political prisoners, lifting a form of censorship for print media, registering a new political party and independent media outlets), civil society and human rights groups remain deeply cynical and continue to report many instances of government harassment, intimidation, and limits on their activities. Journalists reject the suggestion that press censorship has ended and local media usually lacks any meaningful coverage of domestic political issues. In the 2006 Reporters Without Borders Worldwide Press Freedom Index, Tunisia was ranked 148 out of 168 countries.

Security Situation

18. (SBU) There is a threat of terrorism in Tunisia, particularly in light of the recent establishment of al-Qaeda in the Islamic Maghreb (AQIM). In January 2007, the Government of Tunisia announced that Tunisian security forces disrupted a terrorist group in December 2006/January 2007, killing or capturing many individuals who reportedly planned to carry out acts of violence in Tunisia. The US Embassy in

Tunis was reportedly among the group's intended targets. In 2002, a faction of al-Qaeda claimed responsibility for an attack on the Ghriba synagogue on the southern island of Djerba, the first al-Qaeda related terrorist attack after September 11.

- 19. (SBU) The Government of Tunisia remains concerned about signs of increasing Islamic extremism and considers national security as one of its major priorities. Therefore, it places a high value on its historic and robust military-military relationship with the United States. Unfortunately, and against the backdrop of a very limited national budget, new equipment is needed to match the evolving and common threat of transnational terrorism. present, Tunisia receives approximately US \$8 million in Foreign Military Financing (FMF), nearly all of which is used for the partial maintenance of its aging fleets of US-origin equipment. FMF is expected to drop in FY-08 to possibly as low as US \$2 million, which will make any significant recapitalization of the Tunisian Armed Forces problematic, unless additional third-country or other financing is In addition to arguing for increased FMF in FY-09, secured. the Mission is also pursuing possible options for 1206 funding.
- 110. (SBU) That said, Tunisia has been and remains an active participant in United Nations peacekeeping missions, including in the Democratic Republic of the Congo (DROC), Ethiopia and Eritrea. The GOT is supportive of several military issues of mutual interest, takes part in NATO seminars and activities, and is extremely appreciative of US assistance (which includes IMET, USEUCOM Humanitarian Assistance, counterterrorism related seminars, and other activities). In fact, the GOT reciprocated the USG's past generosity with a symbolic gesture of two C-130 loads -- some 20 tons -- of humanitarian assistance in the wake of Hurricane Katrina.